

PLUS: YOUR QUALITY GUIDE TO SOUTH CAROLINA HOSPITALS



UNDERSTANDING THE PATIENT PROTECTION AND AFFORDABLE CARE ACT

The law: what's changing and when

In June, **high-risk insurance pools** were established for individuals with preexisting conditions who have been without insurance for at least 6 months.

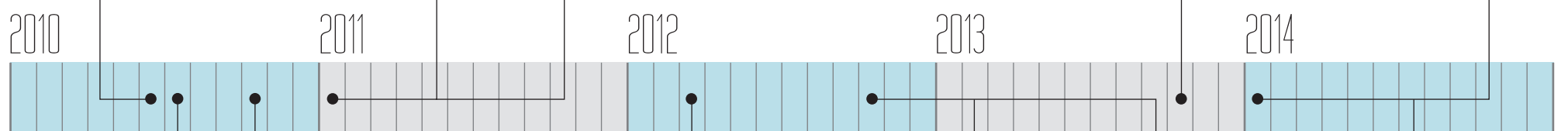
PRESCRIPTION DRUGS

Seniors who reach the coverage gap will receive a **50 percent discount** when buying Medicare Part D covered brand-name prescription drugs.

85% of all premium dollars collected by insurance companies for large employer plans must be spent on **health care services and health care quality improvement**. For plans sold to individuals and small employers, the amount is 80%. If insurance companies do not meet these goals, they must provide rebates to consumers.

Each state will establish an **INSURANCE EXCHANGE** – a new transparent and competitive insurance marketplace where individuals and small businesses can buy affordable and qualified health benefit plans. Exchanges will offer you a choice of health plans that meet certain benefits and cost standards.

States will receive two more years of funding for the **Children's Health Insurance Program (CHIP)**.



ONLINE HELP

In July, internet portals were established as a tool to allow individuals the ability to **search for affordable coverage** options. Consumers will have access to information regarding private plans, Medicaid, CHIP, and high-risk pools. The first phase of the web portal was rolled out in July and will provide summary level information on available coverage options by state and zip code in the private market and information regarding public programs with links to more detailed information. The second phase will be rolled out in October and will include more detailed pricing and benefit information. Eventually it will include information on options available through the state Exchanges as well, giving consumers full control to comparison shop for affordable options. **You may access the U.S. Department of Health & Human Services' Web site at: www.healthcare.gov.**

To help understand and **reduce persistent health disparities**, federal programs will collect and report racial, ethnic and language data. The Secretary of Health and Human Services will use this data to help identify and reduce disparities.

A voluntary **long-term care insurance** program, called CLASS, will provide cash benefits to adults who become disabled.

A series of changes will standardize billing and will require health plans to begin adopting and implementing rules for the secure, confidential, electronic exchange of health information. Using **electronic health records** will reduce paperwork and administrative burdens, cut costs, reduce medical errors and, most importantly, improve the quality of care.

TAX CREDITS will become available for people **with incomes above 100 percent and below 400 percent of the poverty level** (\$43,000 for an individual or \$88,000 for a family of four in 2010) who are not eligible for or offered affordable coverage.

To view a full list of provisions: www.healthcare.gov/law/timeline

SOURCES: www.healthcare.gov/law/timeline; Patient Protection and Affordable Care Act (H.R. 3590); www.healthcaredisclosure.org/docs/files/PPACA_textt.pdf

ABOUT THE SOUTH CAROLINA BUSINESS COALITION ON HEALTH

The South Carolina Business Coalition on Health (SCBCH) is an independent, 501 (c)(3) nonprofit community organization working to improve health care in South Carolina. We are providing this guide to assist you when making important decisions regarding your health. Tools like this encourage improvement in our health care system. We believe you and your family deserve the best quality health care, and we want to equip you with the tools and resources to enable you to receive that care.

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WHY THE SURVEY?

The Leapfrog Group aims to trigger giant leaps forward in the safety, quality and affordability of health care by supporting informed decisions by those who use and pay for health care and by promoting high-value health care through incentives and rewards. Leapfrog works with its employer members to encourage transparency and easy access to health care information. They work with over 50 leading medical experts to identify solutions that will improve hospital quality and safety and then gather this information from hospitals. The Leapfrog Hospital Quality and Safety Survey asks hospitals to report on the steps they take to improve the quality of patient care. In 2009, 1,206 hospitals across the country completed the survey. Participation in the Leapfrog hospital survey is voluntary.

Survey results are available for public viewing on Leapfrog's web site, www.leapfroggroup.org. The Leapfrog Hospital Quality and Safety Survey asks hospitals if they adhere to the following quality and safety practices:

OVERALL PATIENT SAFETY RATINGS

- **Safe practices** – Select a hospital that has a full Leapfrog Safe Practices Score. This means it has put in place 17 procedures to reduce preventable medical mistakes.
- **Preventing medication errors** – Patients should choose a hospital that uses computerized prescriber order entry (CPOE) systems to order medications, tests, and procedures. CPOE systems are computer systems designed to alert doctors and other prescribers to potentially serious problems with their instructions.
- **Managing serious errors** – Patients should choose a hospital that has implemented Leapfrog's policy on managing serious events ("or never events") such as surgery on the wrong body part or death due to contaminated drugs or devices.
- **Appropriate ICU staffing** – Patients should choose a hospital with an intensive care unit (ICU) that is staffed by doctors and other caregivers who have special training in critical care medicine. These doctors are called 'intensivists.'

HIGH-RISK TREATMENT SAFETY RATINGS

Select a hospital with lots of experience and the best results for specific procedures, surgeries or conditions. This is known as Evidence-Based Hospital Referral (high-risk procedures). The scores for the following high-risk treatments are based on a combination of quality and costs:

- **Heart bypass surgery**
- **Heart attack**
- **Heart angioplasty**
- **Pneumonia**
- **High-risk deliveries**
- **Weight loss surgery**

The following scores are based on quality of care:

WHAT THE SCORES MEAN

- **Fully meets the standards** of Leapfrog's recommended quality and safety practices
- ◐ **Substantial progress** in implementing Leapfrog's recommended quality and safety practices
- ◑ **Some progress** in implementing Leapfrog's recommended quality and safety practices
- ◒ **Willing to report publicly**; did not yet meet Leapfrog's criteria for good early stage effort
- ⊖ **Hospital does not perform procedure**

SOURCE: www.leapfroggroup.org

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Member of the National Business Coalition on Health

RESULTS ARE AS OF SEPTEMBER 7, 2010. VISIT WWW.LEAPFROGGROUP.ORG FOR MONTHLY UPDATES.

The Leapfrog Hospital Quality and Safety Survey results

OVERALL PATIENT SAFETY RATINGS

HIGH-RISK TREATMENT SAFETY RATINGS

UPSTATE HOSPITALS	Safe practices	Preventing medication errors	Appropriate ICU staffing	Managing serious errors	Heart bypass surgery	Heart angioplasty	Heart attack	Pneumonia	High-risk deliveries	Weight loss surgery
AnMed Health Medical Center	◐	●	◐	◐	●	●	●	◐	⊖	◐
AnMed Health Women's and Children's Hospital	◐	●	⊖	◐	⊖	⊖	⊖	⊖	⊖	◐
Baptist Easley Hospital	◐	◐	◐	●	⊖	⊖	◐	●	⊖	⊖
Greenville Memorial Hospital	◐	◐	◐	◐	◐	●	◐	●	●	⊖
Greer Memorial Hospital	◐	◐	◐	◐	⊖	⊖	◐	◐	⊖	⊖
Hillcrest Hospital	◐	◐	◐	◐	⊖	⊖	⊖	●	⊖	●
Mary Black Hospital	◐	◐	◐	●	⊖	⊖	◐	◐	⊖	⊖
Patewood Memorial Hospital	◐	◐	⊖	◐	⊖	⊖	⊖	⊖	⊖	⊖
Piedmont Medical Center	◐	◐	●	◐	●	◐	◐	◐	⊖	◐
Self Regional Healthcare	◐	◐	◐	◐	◐	◐	◐	◐	◐	◐
Spartanburg Regional Health System	◐	◐	◐	◐	◐	●	◐	◐	◐	●
St. Francis Hospital - Eastside	◐	●	◐	●	⊖	⊖	⊖	◐	⊖	◐
St. Francis Hospital - Downtown	◐	●	●	●	●	●	◐	◐	⊖	⊖
Upstate Carolina Medical Center	◐	◐	◐	◐	⊖	⊖	◐	●	⊖	⊖
Village Hospital	◐	◐	◐	●	⊖	⊖	⊖	●	⊖	⊖

MIDLANDS HOSPITALS	Safe practices	Preventing medication errors	Appropriate ICU staffing	Managing serious errors	Heart bypass surgery	Heart angioplasty	Heart attack	Pneumonia	High-risk deliveries	Weight loss surgery
Palmetto Health Baptist	◐	◐	◐	●	⊖	⊖	◐	◐	◐	●
Palmetto Health Richland	◐	◐	◐	●	◐	●	◐	◐	◐	⊖
Providence Hospital	●	◐	◐	●	◐	●	◐	◐	⊖	⊖

LOW COUNTRY HOSPITALS	Safe practices	Preventing medication errors	Appropriate ICU staffing	Managing serious errors	Heart bypass surgery	Heart angioplasty	Heart attack	Pneumonia	High-risk deliveries	Weight loss surgery
Bon Secours - St. Francis Xavier Hospital	●	◐	◐	●	⊖	⊖	⊖	●	⊖	⊖
Coastal Carolina Medical Center	◐	◐	◐	●	⊖	⊖	⊖	◐	⊖	⊖
Colleton Medical Center	◐	◐	◐	●	⊖	⊖	⊖	◐	⊖	⊖
East Cooper Regional Medical Center	◐	◐	◐	●	⊖	⊖	⊖	●	⊖	⊖
Georgetown Memorial	◐	◐	◐	◐	⊖	◐	●	◐	◐	◐
Grand Strand Regional Medical Center	◐	◐	●	●	●	●	●	●	⊖	⊖
Hilton Head Hospital	●	◐	◐	●	●	●	◐	◐	⊖	⊖
McLeod Regional Medical Center	●	◐	◐	●	◐	◐	◐	◐	◐	⊖
Medical University of South Carolina	◐	◐	●	●	●	◐	●	◐	●	●
Roper Hospital	●	◐	◐	●	●	◐	◐	◐	⊖	⊖
Trident Health System	●	◐	◐	●	●	◐	◐	◐	⊖	⊖
Tuomey Healthcare System	◐	◐	◐	●	⊖	⊖	◐	◐	⊖	⊖
Waccamaw Community Hospital	◐	◐	◐	◐	⊖	⊖	◐	◐	◐	◐

The current state of National health care

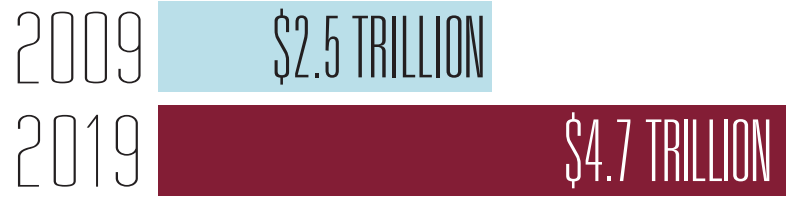
32 MILLION AMERICANS

are **uninsured** and that number is growing as individuals continue to lose their jobs. The Institute of Medicine concludes that all members of a community are affected when others lack health insurance.

53%

of Americans have forgone certain types of medical care, due to **high health care costs**.

National health spending is projected to increase:



As a nation,

WE HAVE BECOME UNHEALTHY.

70%

of all health care costs generated in the United States are attributable to **preventable risks** and **unhealthy choices**. According to the Milken Institute, there will be 230 million reported cases of chronic disease in 2023 (an increase of 42% from 2003).

Employers may be forced to reduce or eliminate medical benefits due to their inability to remain competitive in the global market. In the manufacturing industry, the U.S. hourly health benefits cost averages:

\$2.36 PER WORKER PER HOUR compared to the foreign trade weighted average of: **\$0.96 PER WORKER PER HOUR**

HALF

Of all personal bankruptcies are caused by medical debt.

SOURCES: Centers for Medicare and Medicaid Services (CMS), The Heritage Foundation, Partnership to Fight Chronic Diseases

AMENDMENTS

INSURANCE POLICY PRACTICES

- 1** Single dependants up to 26 years old, will be allowed to remain on their parents health plan.
- 2** Minor children with preexisting conditions will be covered by all plans.
- 3** Health plans can no longer cancel coverage for individuals who become diagnosed with a serious condition and can no longer impose lifetime limits or unreasonable annual limits. Insurers cannot refuse to sell or renew policies based on an individual's health status.
- 4** Individuals with a **Health Savings Account (HSA)**, **Health Reimbursement Arrangement (HRA)**, or **Flexible Spending Account (FSA)**, will no longer be able to use these funds to pay for over-the-counter medications unless they obtain an authorized prescription.
- 5** By 2013, individuals who have a **FSA** will be able to contribute up to **\$2,500** per year.
- 6** The reform also calls for a **standardized outline of your benefits, in a language that you can understand**, with no fine print, and will include contact information if you have additional questions.

PREVENTIVE CARE

As of January 1, 2011, all health plans will be required to fully cover the following:

- 1** Services like **colorectal cancer screenings** as recommended by the US Preventive Services Task Force (USPSTF). To access a list of these recommendations go to: www.ahrq.gov/clinic/uspstfix.htm
- 2** **Immunizations** as recommended by the Advisory Committee on Immunization Practices of the CDC. For a list, visit: www.cdc.gov/vaccines/recs/acip/default.htm#recs
- 3** Services like **pap smears, mammograms** and **cholesterol screenings** as recommended by the Health Resources and Services Administration (HRSA). For more information, visit: www.mchb.hrsa.gov/whusa09/hsu/pages/305pc.html

Please carefully review your annual summary of benefits to find out which preventive services are covered by your plan and consult with your physician to determine when you should receive these screenings.

SOURCE: Patient Protection and Affordable Care Act (H.R. 3590), http://www.healthcareDisclosure.org/docs/files/PPACA_Text.pdf

The potential impact in South Carolina

4,700 DOCTORS

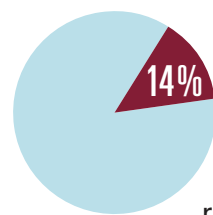
in South Carolina that practice primary care would qualify for a new **5 to 10 percent payment bonus** under health insurance reform.

An estimated

58,500 PEOPLE RETIRED

before they were eligible for Medicare

and have health coverage through their former employers. In June, a \$5 billion temporary early-retiree reinsurance program will help stabilize **early-retiree coverage** and help ensure that firms continue to provide health coverage to their early-retirees.



Health insurance reform will expand and improve programs to ensure that more people can get the quality care they need, when they need it.

Approximately **613,000 people**, or 14 percent of South Carolina's population, **cannot access a primary care provider due to shortages in their communities**. Health insurance reform will expand and improve

38,200

hospital readmissions each year could be prevented with improved-care coordination. Reform will provide financial incentives to hospitals to better coordinate care at discharge to avoid preventable readmissions.

764,000

Residents who do not currently have insurance

290,000

Residents who have nongroup insurance

South Carolina residents that could get **affordable coverage** through the

INSURANCE EXCHANGE

714,000

Seniors that would receive **free** preventive services.

127,000

Seniors who hit the doughnut hole, or gap in Medicare Part D drug coverage, will be mailed a one-time **\$250 rebate check**.

WITHOUT REFORM,

individuals and families in South Carolina will spend increasing amounts of money, out-of-pocket, to cover **premiums, deductibles, and co-payments**:

2010 **\$4.4 BILLION**

2019 **\$7.1 BILLION**

Through health insurance reform, **477,000** South Carolina residents could be eligible for **premium tax credits** to ease the burden of these high costs.

SOURCE: US Department of Health & Human Services (www.healthreform.gov/reports/statehealthreform/southcarolina.html)

57,900 SMALL BUSINESSES could be helped by a small business tax credit to make premiums more affordable. Small businesses pay, on average, 18 percent more than large businesses for the same coverage, and health insurance premiums have gone up three times faster than wages in the past 10 years.

\$724 MILLION

spent on uncompensated care in South Carolina often gets passed along to families in the form of a **hidden premium "tax"**. By expanding coverage to the uninsured, health insurance reform will eliminate this burden on people who already have insurance.